

Annual Meeting & Budget Hearing



School District of Bayfield

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Home of the Bayfield Trollers!

October 16, 2017

Contents

Message from Craig Hoopman, Board President _____	1
Annual Meeting _____	1
Budgeting _____	1
Looking Ahead _____	1
School Board Members / Administration _____	2
School Board _____	2
Administration _____	2
Agenda – Monday, October 16, 2017 _____	3
Annual Meeting Minutes – September 26, 2016 _____	4
Treasurer’s Report School Year 2016-17 _____	6
Proposed Budget 2017-2018 _____	7
Revenues and Grants _____	7
Expenditures _____	8
Fund 10 General Fund _____	9
Special Projects Funds _____	9
Debt Service Funds _____	10
Capital Projects Funds _____	10
Food Service and Community Service Funds _____	11
2017-18 Proposed Budget Summary _____	12
Tax Levy 2017-2018 _____	14
School Board Salaries 2017-2018 _____	16

“Through this budget, we are able to evolve and adapt to the changing needs of today’s youth”

Message from Craig Hoopman, Board President

Annual Meeting

The annual school district meeting plays a special role in the governance of the School District of Bayfield. Individuals in our district who are eligible to vote have special powers reserved to them as a body at the annual meeting.

Budgeting

The development of the School District of Bayfield’s budget is a long-range process. There are numerous steps and the individuals involved in this process are vigilant as new information coming to the school district will often impact the district’s overall budget and local levy amounts. The district uses budget development and planning tools that help us to estimate formula factors and projections, uses current and historical data to help calculate state and federal aids while meeting the educational needs of our students.

Looking Ahead

In essence, this budget is a document that specifies the planned expenditures and anticipated revenues of the School District of Bayfield for the 2017-2018 fiscal year. It has been planned to meet the educational mission, community values, organizational needs, policies, programs, services and expected outcomes of the district. The School District of Bayfield’s Board of Education is dedicated and focused on student achievement. Through this budget, we are able to evolve and adapt to the changing needs of today’s youth.

Craig Hoopman
School Board President
October 16, 2017

School Board Members / Administration

School Board

Craig Hoopman, President

Debbie Knopf, Vice President

Cindy Garrity, Clerk

Larry Deragon, Treasurer

Nicole Boyd

Stephanie Bresette

Rocky Tribovich

Administration

Jeffrey Gordon, District Administrator / 9th – 12th Principal

Melissa Giesregen, Pupil Services & Special Education Director / K-5th Principal

Randi Johnson, Finance Manager

Shellie Swanson, Middle School Principal / Dean of Students 6th – 12th

Mission Statement

The School District of Bayfield will support the educational and developmental growth of each and every student while utilizing available resources in a respectful and prudent manner.

Agenda – Monday, October 16, 2017

1. Call to Order by Board President.
2. Pledge of Allegiance.
3. Election of chairperson (Motion required).
4. Record official minutes of the meeting by Board Clerk. If absent, by district elector appointed by the Chairperson (Motion optional).
5. Read and approve minutes of the September 26, 2016 Budget Hearing and Annual Meeting (Motion optional).
6. Treasurer's Report (Motion optional).
7. Present and discuss proposed 2017-2018 budget.
8. Levy a tax in accordance with the proposed budget (Motion required).
9. Authorize the Board of Education to establish a date and/or time for the 2018 Budget Hearing and Annual Meeting in accordance with s. 120.08(1) Wis. Stats., (Motion required).
10. Set salaries of the School Board (Motion required).
11. Other business within the powers of the Annual Meeting.
12. Adjournment (Motion required). If all business is completed, adjournment is "sine die"; if not, adjournment to a future date and time for consideration of the unfinished business.

Annual Meeting Minutes – September 26, 2016

1. Call to Order: The Annual Meeting of the School District of Bayfield was called to order by Board President Craig Hoopman on Monday, September 26, 2016 at 7:00 p.m. in the school library.
2. Pledge of Allegiance.
3. Election of Chairperson:
4. Motion by Craig Hoopman, second by Larry Deragon to nominate David Aslyn to chair the Annual Meeting. No other nominations received. Motion carried.
5. Record Official Minutes of the Meeting by Board Clerk: School Board Secretary Sheila Kelly was appointed to take minutes of the September 26, 2016 Annual Meeting.
6. Read and Approve Minutes of the September 28, 2015 Annual District Meeting and Budget Hearing:
7. Motion by Deb Knopf, second by Cindy Garrity to waive the reading and approve the Annual District Meeting and Budget Hearing minutes of September 28, 2015 as presented. Motion carried.
8. Treasurer's Report:
9. Motion by Craig Hoopman, second by Cindy Garrity to waive the reading and approve the Treasurer's Report as presented. Motion carried.
10. Presentation of Proposed 2016-2017 Budget: Superintendent David Aslyn presented the proposed budget for the 2016-2017 school year.
11. Levy a Tax in Accordance with the Proposed Budget:
12. Motion by Craig Hoopman, second by Larry Deragon that the School District of Bayfield levy a 2016-2017 tax against the 2016 equalized value of the property of the school district in the amount of \$6,047,232. Motion carried.
13. Authorize the Board of Education to Establish a Date and/or time for the 2017 Budget Hearing and Annual District Meeting in accordance with s.120.10(12) Wis. Stats.
14. Motion by Deb Knopf, second by Cindy Garrity to schedule the 2017 Annual District Meeting and Budget Hearing for the fourth Monday in September, 2017, at 7:00 p.m. Motion carried.
15. Set Salaries of the School Board:

Current Salaries

President	\$1,600
Vice-President	\$1,500
Clerk	\$1,500
Treasurer	\$1,500
Members	\$1,400
Special Meetings	\$ 50
Committee Meetings	\$ 50

16. Motion by Larry Deragon, second by Nicole Boyd to set the School Board salaries as indicated above. Motion carried.
17. Other Business within the powers of the Annual Meeting.
18. Adjourn:
19. Motion by Cindy Garrity, second by Larry Deragon to adjourn sine die. Motion carried.
20. The District Annual Meeting and Budget Hearing adjourned at 7:27 p.m.

Respectfully submitted,

Sheila D. Kelly
School Board Recording Secretary



Treasurer's Report School Year 2016-17

The General Fund, Fund 10, is used to account for all financial transactions relating to the district's current operations, except for those required to be accounted for in other funds. Revenues for the 2016-2017 fiscal year were \$8,995,411.18. Expenditures for the 2016-17 year were \$8,931,633.21. This resulted in an ending fund balance of \$5,434,787.06.

The Special Projects Fund contains Fund 21 (Special Revenue Trust Fund), Fund 27 (Special Education Fund) and Fund 29 (Other Special Projects Fund). Revenues for all of these funds for the 2016-2017 school year were \$1,744,792.71 and expenditures were \$1,730,570.77.

The Debt Service Fund, includes funds related to transactions for repayment of general obligation debt; promissory notes, bonds, state trust funds loans and TEACH loans. Debt tax levies must be recorded in these funds. Revenues for the 2016-17 fiscal year \$339,707.59 and expenditures were \$343,450.00. The ending fund balance was \$24,944.74. The current long-term debt balance is \$1,290,000.00.

The Capital Projects Funds are used to account for expenditures financed through the use of bonds, promissory notes, state trust fund loans and other funds from tax levies established per state statute. Included here is Fund 46, Long Term Capital Improvement Trust Fund, which the Board established in 2015. Fund 46 funds may only be used after the initial five year wait period is over and only be used for purposes identified in the approved long-term capital improvement plan. Expenditures for the 2016-2017 were \$0.00 and revenues were \$54,004.09.

The Food and Community Service Funds are funds used to account and report transactions of the district's food and community service activities. The Food Service Fund had revenues and expenditures totaling \$363,221.96 leaving a \$0.00 fund balance.

The Community Service Funds is the operating fund for Community Education and Recreation Center. Revenues for the 2016-2017 school year were \$70,000.00. Expenditures for the year were \$63,172.50 leaving a balance in Fund 80 totaling \$6,827.50.

The figures presented were prepared using figures that have not been audited by the District's independent auditors. The School District of Bayfield's annual audit was August 17, 2017. Final audited numbers will be available sometime in the near future.

Respectfully submitted,

Lawrence Deragon, Treasurer
School District of Bayfield

Proposed Budget 2017-2018

School District of Bayfield proposes for the General Fund a budget including revenues of \$8,775,649.00 and expenditures of \$8,775,649.00 for the 2017-2018 school year.

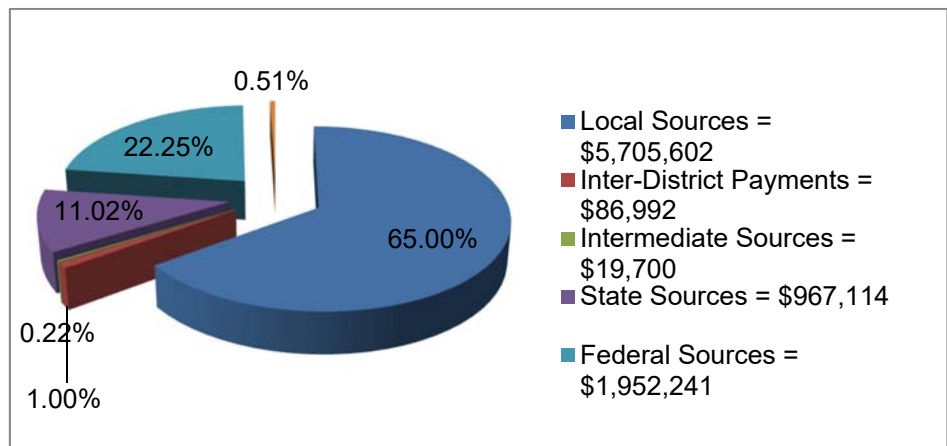
Revenues and Grants

The revenue from the tax levy is budgeted to the maximum allowed under state stat. for the 2017-2018 school year. Due to declining enrollment and increases in salary and benefits the district has levied to the maximum for the first time in five years. A separate sheet in this document outlines the tax levy impact.

Other grant and revenue funding sources:

- ⚓ Impact Aid funding source is budgeted at \$1,650,000.00.
- ⚓ Title I and Title II allocations are \$238,241.00, a decrease of \$33,272.00 from the 2016-2017 school year.
- ⚓ The 21st Century Learning Center grant has been funded for year 9 of the funding cycle. This enables us to continue funding the after-school program at both Bayfield and La Pointe Schools.
- ⚓ The American Indian Language Revitalization Grant proposal is not open yet for funding requests.

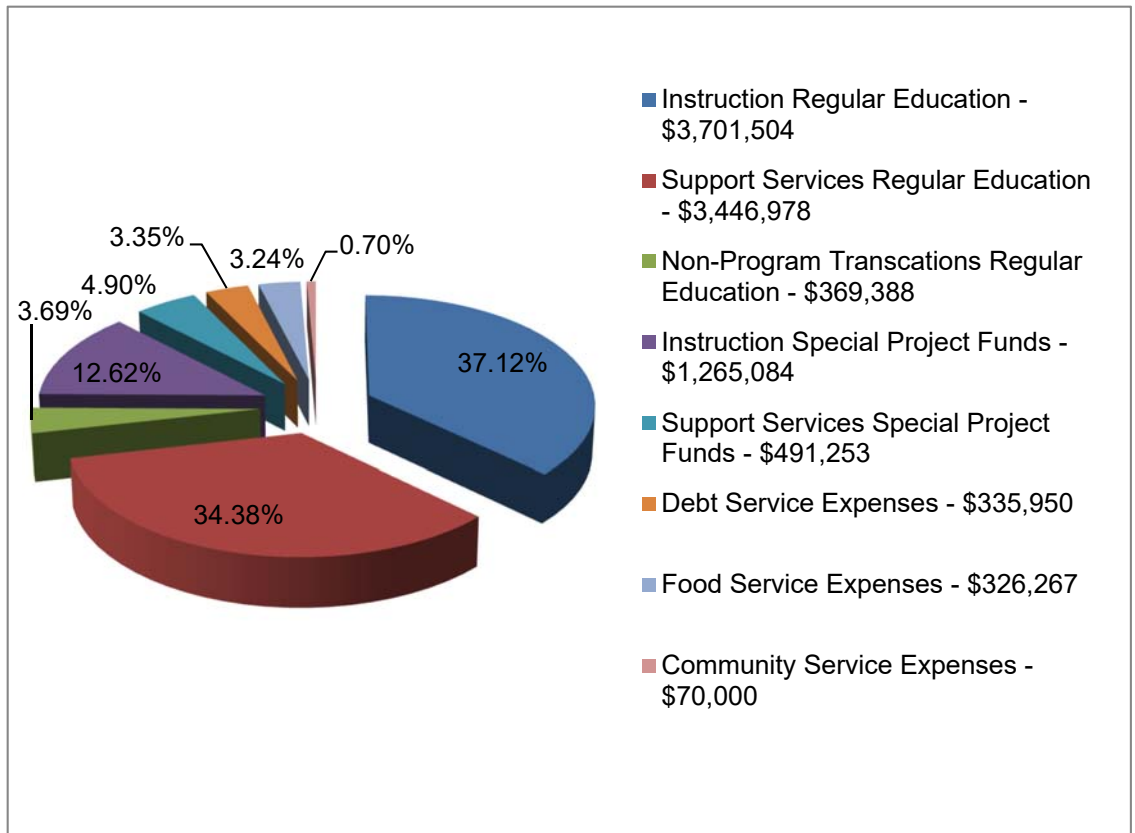
The total revenues budgeted in Fund 10 for the 2017-2018 are \$8,775,649.00. Revenues received by the School District of Bayfield come from many



different sources, including state equalization aid and categorical aid, local revenues (primarily property taxes) and federal aid (Impact Aid revenues, Title I funding and other miscellaneous federal grants). Estimating what the District will receive in the way of federal, state, and local revenues is a complex but necessary part of preparing our budget. This pie chart recognizes the impact that local taxpayers have on our budget, making up over 65% of our revenues in the general fund.

Expenditures

The School District of Bayfield will expense a total of \$10,026,460 for the budget year 2017-2018. The budgetary process is our best way to describe how, during this fiscal year; we will use our limited resources to best meet the needs of our students and taxpayers.



Instruction Regular Education includes regular K-12 instructional classroom activities, physical education and co-curricular activities. *Support Services Regular Education* entails any support level activity that does not include classroom teaching (library, administration, pupil transportation, business and maintenance). *Non-Program Transactions Regular Education* includes transfers to other funds (food service, special education). *Instruction Special Project Funds* include special education K-12 instruction and the Indian Education Federal Grant. *Support Services Special Project Fund* includes special education support level activities that do not include classroom teaching. *Debt Service Expenses* contains long term borrowing. *Food Service Expenses* consist of all food service (cafeteria) activities. *Community Service Expenses* are activities for the birth to five programs, science fest, community pow-wow and the Bayfield Area Recreation Center.

Our instructional staffing levels will remain the same for this fiscal year. We continue in our commitment to keep funding cuts as far away from the students in the classrooms as possible.

Fund 10 General Fund

The general fund is used to account for all financial transactions relating to current operations, except for those required to be accounted for in other funds.

GENERAL FUND	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
Beginning Fund Balance	5,389,346.24	5,371,009.09	5,434,787.06
Ending Fund Balance	5,371,009.09	5,434,787.06	5,434,787.06
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	0.00	0.00	0.00
Local Sources (Source 200)	5,519,369.42	5,683,007.35	5,705,602.00
Inter-district Payments (Source 300 + 400)	162,616.71	83,686.00	86,992.00
Intermediate Sources (Source 500)	20,029.75	19,800.00	19,700.00
State Sources (Source 600)	871,838.12	880,322.79	967,114.00
Federal Sources (Source 700)	2,049,655.62	2,292,435.24	1,952,241.00
All Other Sources (Source 800 + 900)	77,372.04	36,159.80	44,000.00
TOTAL REVENUES & OTHER FINANCING SOURCES	8,700,881.66	8,995,411.18	8,775,649.00
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	3,536,167.13	3,718,288.07	3,701,540.00
Support Services (Function 200 000)	3,721,932.09	3,612,164.49	3,466,978.00
Non-Program Transactions (Function 400 000)	1,461,119.59	1,601,180.65	1,607,131.00
TOTAL EXPENDITURES & OTHER FINANCING USES	8,719,218.81	8,931,633.21	8,775,649.00

Special Projects Funds

Special projects funds reported below include combined budgets for both the Gift Fund and Special Education Fund

Fund 21 Special Revenue Trust Fund

This fund is used to account for trust funds that can be used for district operations.

The source of such funds is gifts and donations. Cash and investments in this funds are expended pursuant to donor specifications. There may be a fund balance in this fund.

Fund 27 Special Education Fund

This fund is used to account for the excess cost of providing special education and related services for students with disabilities during the regular school year or extended school year. Also included are charges for services provided to other

districts as a result of being a host district for special education package or cooperative program. No fund balance or deficit can exist in this fund.

SPECIAL PROJECTS FUND	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
Beginning Fund Balance	21,082.35	6,030.59	20,252.53
Ending Fund Balance	6,030.59	20,252.53	21,752.53
REVENUES & OTHER FINANCING SOURCES	1,738,316.24	1,744,792.71	1,757,837.00
EXPENDITURES & OTHER FINANCING USES	1,753,368.00	1,730,570.77	1,756,337.00

Debt Service Funds

These funds are used for recording transactions related to repayment of the following general obligation debt: promissory notes, bonds, state trust fund loans and TEACH loans. Also included in these funds are transactions pertaining to land contract payments and refinancing of debt issues and other district obligations as specified by the DPI.

Fund 39 Referendum Approved Debt Service Fund

This fund is used to account for transactions for the repayment of debt issues that were either: authorized by school board resolution before August 12, 1993, or approved by referendum.

DEBT SERVICE FUND	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
Beginning Fund Balance	29,180.64	28,687.15	24,944.74
Ending Fund Balance	28,687.15	24,944.74	24,944.74
REVENUES & OTHER FINANCING SOURCES	328,956.51	339,707.59	335,950.00
EXPENDITURES & OTHER FINANCING USES	329,450.00	343,450.00	335,950.00

Capital Projects Funds

These funds are used to account for expenditures financed through the use of bonds, promissory notes issued per statute 67.12, state trust fund loans, land contracts, or an expansion fund tax levy established per statute 120.10.

Fund 46 Long Term Capital Improvement Trust Fund

A school board with an approved long-term capital improvement plan (minimum of 10 years) may establish a "trust" that is funded with a transfer from the general fund. The contribution from Fund 10 to Fund 46 is recorded as the expenditure for shared cost

and equalization aid purposes. A school board is prohibited from removing money deposited into Fund 46 for a period of five years after the fund is created. The School District of Bayfield will meet this five year obligation in February of 2020.

Fund 49 Other Capital Project Funds

Used to report capital project fund activities not required to be reported in Funds 41 or 48. The district currently has money designated as construction aid from Impact Aid funds that can only be used through this fund. A fund balance may exist in this fund.

CAPITAL PROJECTS FUND	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
Beginning Fund Balance	160,029.83	160,204.74	214,208.83
Ending Fund Balance	160,204.74	214,208.83	214,533.83
REVENUES & OTHER FINANCING SOURCES	174.91	54,004.09	325.00
EXPENDITURES & OTHER FINANCING USES	0.00	0.00	0.00

Food Service and Community Service Funds

These funds are used to account and report transactions of the district's food and community service activities. No K-12 instruction or instructional support related functions are recorded in these funds.

Fund 50 Food Service Fund

All revenues and expenditures related to pupil and elderly food service activities are recorded in this fund. A fund balance in the Food Service Fund is permitted. There may be no deficit in the District's Food Service Fund. Any food service fund deficit, resulting from student food services, must be eliminated by an operating transfer from the General Fund.

FOOD SERVICE FUND	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
Beginning Fund Balance	0.00	0.00	0.00
Ending Fund Balance	0.00	0.00	0.00
REVENUES & OTHER FINANCING SOURCES	319,595.23	363,221.96	326,267.00
EXPENDITURES & OTHER FINANCING USES	319,595.23	363,221.96	326,267.00

Fund 80 Community Service Fund

This fund is used to account for activities such as adult education, community recreation programs such as evening swimming pool operation and softball leagues, elderly food service programs, non-special education preschool, day care services and other programs which are not elementary and secondary education programs.

The Budget for the 2017-18 fiscal year is:

⚡	Miscellaneous capital repairs to the Recreation Center	\$40,000
⚡	Community Service Events Including but not limited to Science Fest, Community wide pow-wows	\$15,000
⚡	Other Recreation Center repairs and birth to five Program	\$15,000

COMMUNITY SERVICE FUND	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
Beginning Fund Balance	(45,554.64)	(21,199.81)	6,827.50
Ending Fund Balance	(21,199.81)	6,827.50	6,827.50
REVENUES & OTHER FINANCING SOURCES	70,000.00	70,000.00	70,000.00
EXPENDITURES & OTHER FINANCING USES	45,645.17	41,972.69	70,000.00

2017-18 Proposed Budget Summary

The following table compares audited results from the 2015-16 fiscal year as compared to the revised budget of 2016-17. At the time of this meeting, the final financial transactions for the 2016-17 fiscal year are being completed. These results will be shared with the board once the annual audit booklet has been received in the coming months.

The proposed budget for 2017-18 school year is approximately -1.56% lower than the prior year's budget. The decrease in the proposed budget is directly correlated with the above average revenues received from Impact Aid for the 2016-2017 school year.

The proposed tax levy for 2017-18 is approximately -0.02% lower than 2016-17. The final levy will be determined after enrollment, equalized aid, and property values are known at the end of October.

Also impacting this budget is the board's decision in June of 2017 to increase the fund balance in the 2016-17 school year in order to spend in the 2017-18 school funding towards the HRA (Health Reimbursement Account) of employees in the district's health insurance. The benefit levels the board agreed to fund are \$750 for a single policy and \$1,500 towards a family policy.

Total Expenditures and Other Financing Uses

ALL FUNDS	Audited 2015-16	Unaudited 2016-17	Budget 2017-18
GROSS TOTAL EXPENDITURES -- ALL FUNDS	11,167,277.21	11,410,848.63	11,264,203.00
Interfund Transfers (Source 100) - ALL FUNDS	1,175,912.13	1,225,478.31	1,237,743.00
Refinancing Expenditures (FUND 30)	0.00	0.00	0.00
NET TOTAL EXPENDITURES -- ALL FUNDS	9,991,365.08	10,185,370.32	10,026,460.00
PERCENTAGE INCREASE – NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		1.94%	-1.56%

Tax Levy 2017-2018

The School District of Bayfield's tax levy is made up of several components. These include:

- ⚓ Amount of operational dollars needed in the General Fund, Capital Project, Community Service levies
- ⚓ Amount of debt service tax dollars need for Debt Service Fund levy
- ⚓ Equalized value of property in the school district
- ⚓ Mill (tax) rate

The tax levy is the total amount of property taxes levied or assessed to municipalities in our school district to fund school operations. The maximum tax levy amount, other than referendum-approved long-term debt, is determined through the state's revenue cap (limit) formula. The tax levy approved at the Annual Meeting will be adjusted by the Board of Education at its regular October meeting when student enrollment has been determined (September 3rd Friday count) and the DPI has certified the district's state equalization aid amount.

The Board is proposing a total tax levy of \$6,051,850 to fund the 2017-18 budget.

Referendum Debt Service Fund	0.00	0.00	0.00
Non-Referendum Debt Service Fund	328,950.00	343,450.00	335,950.00
Capital Expansion Fund		0.00	0.00
Community Service Fund	70,000.00	70,000.00	70,000.00
TOTAL SCHOOL LEVY	5,839,416.00	6,053,288.00	6,051,917.00
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR		3.66%	-0.02%
Mill Rate Proposed for 17-18 (finalized October 2017)	9.80	10.51	10.50

The proposed 2017-2018 Tax Levy decreases the total amount levied but still enables the District to meet its expenses and responsibilities. The chart below shows the impact of the tax levy on every \$1,000 in property value.

HOME VALUE	TAX 2014-15	TAX 2015-2016	TAX 2016-17	TAX 2017-18
\$100,000	\$980	\$980	\$1,051	\$1,050
\$200,000	\$1,960	\$1,960	\$2,102	\$2,100
\$300,000	\$2,940	\$2,940	\$3,153	\$3,150
\$400,000	\$3,920	\$3,920	\$4,204	\$4,200
\$500,000	\$4,900	\$4,900	\$5,255	\$5,250
\$600,000	\$5,880	\$5,880	\$6,306	\$6,300
\$700,000	\$6,860	\$6,860	\$7,357	\$7,350
\$800,000	\$7,840	\$7,840	\$8,408	\$8,400

School Board Salaries 2017-2018

The proposed budget for 2017-2018 school year includes the following salaries for the School District of Bayfield Board of Education member:

• President	\$1,600.00
• Vice-President	\$1,500.00
• Clerk	\$1,500.00
• Treasurer	\$1,500.00
• Members	\$1,400.00
• Special Meetings	\$ 50.00
• Committee Meetings	\$ 50.00